


Government of the District of Columbia  
Office of the Chief Financial Officer



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer 

**DATE:** March 28, 2019

**SUBJECT:** Fiscal Impact Statement – Compensation Agreement between the District of Columbia and Compensation Unit 19 Approval Resolution of 2019

**REFERENCE:** Draft Resolution sent to the Office of Revenue Analysis on March 19, 2019

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**Conclusion**

Funds are sufficient in the fiscal year 2019 budget and proposed fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the resolution. Approximately \$115,000 will be needed to cover the cost of the agreement in fiscal year 2019, \$111,000 in fiscal year 2020, and a total of \$577,000 will be needed through fiscal year 2023. Funding is available in the Workforce Investments Fund to cover these costs.

**Background**

The resolution approves a compensation collective bargaining agreement between the District of Columbia and employees in Compensation Unit 19 represented by the Doctors Council of the District of Columbia, NUHHCE, AFSCME, AFL-CIO. The agreement covers fiscal years 2017 (retroactive) through 2020 and affects six medical and dental officers currently employed at the Office of the Chief Medical Examiner, the Department of Health, and the Department of Youth Rehabilitation Services<sup>1</sup>. Currently, these agencies pay for these positions entirely with local funds.

The agreement provides the following salary increases:

- 2 percent in fiscal year 2017;
- 3 percent in fiscal year 2018;
- 2 percent in fiscal year 2019; and

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<sup>1</sup> These are the FTEs affected as of February 2019. Data from the Budget Formulation Application for FY 2017 and FY 2018 indicate that in those fiscal years a different number of FTEs were affected, and we have factored that into our calculations for the retroactive pay increases for FY 2017 and FY 2018.

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- 3 percent in fiscal year 2020.

The agreement provides three paid days of funeral leave, instead of the one day granted in the previous agreement. It also increases the monthly Metro benefit from \$25 to \$50 a month, effective once the agreement is approved.

### Financial Plan Impact

Funds are sufficient in the fiscal year 2019 through fiscal year 2023 budget and financial plan to implement the resolution. Approximately \$115,000 will be needed to cover the cost of the agreement in fiscal year 2019, \$111,000 is needed in fiscal year 2020, and a total of \$577,000 will be needed through fiscal year 2023. Funding is available in the Workforce Investments Fund to cover these costs.

The total cost of the agreement will range from \$115,000 in fiscal year 2019 to \$173,000 in fiscal year 2023, with most of the costs coming from the salary increases. The fiscal year 2019 cost includes the retroactive salary increases for fiscal years 2017 and 2018. The fiscal year 2021 through 2023 costs are partially offset by funding available in the financial plan, which assumes an annual salary increase of 1.75 percent a year.

<b>Cost of the Compensation Collective Bargaining Agreement between the Government of the District of Columbia and the Doctors Council Representing Compensation Unit 19, Effective October 1, 2016 through September 30, 2020</b>						
	<b>FY 2019<sup>(a)</sup></b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>Total</b>
Salary increase <sup>(b)</sup>	\$114,000	\$109,000	\$129,000	\$150,000	\$171,000	\$673,000
Metro benefit increase <sup>(c)</sup>	\$1,000	\$2,000	\$2,000	\$2,000	\$2,000	\$9,000
<b>Total cost increase</b>	<b>\$115,000</b>	<b>\$111,000</b>	<b>\$131,000</b>	<b>\$152,000</b>	<b>\$173,000</b>	<b>\$682,000</b>
Funding available in financial plan <sup>(d)</sup>	\$0	\$0	(\$17,000)	(\$35,000)	(\$53,000)	(\$105,000)
<b>Funding needed from Workforce Investment Fund</b>	<b>\$115,000</b>	<b>\$111,000</b>	<b>\$114,000</b>	<b>\$117,000</b>	<b>\$120,000</b>	<b>\$577,000</b>

Table notes:

(a) Includes retroactive pay and benefits from FY 2017 and FY 2018.

(b) Includes contractual salary increases of 2 percent in FY 2017, 3 percent in FY 2018, 2 percent in FY 2019, and 3 percent in FY 2020. We assume additional increases of 1.75 percent in FY 2021 through FY 2023. We inflate the total amount of the salary increases by 6.45 percent to account for increases in benefits tied to salary level.

(c) Metro benefits will increase from \$25 per month to \$50 per month once the contract is approved.

(d) The financial plan assumes a 1.75 percent annual increase in salaries.